

# BASKETBALL '92

## NBA'S DO-IT-YOURSELF TV-RADIO PLAYBOOK

*BROADCASTING's survey finds 22 of 27 teams involved in local radio and TV production and sales; local earnings for teams to hit \$130 million in 1992-93*

By Harry A. Jessell

**Y**ou might not think of a professional basketball team as a major producer of local programming, but that is what many of them have become in recent years.

Convinced it's more lucrative than simply selling rights to local broadcast and cable outlets, a growing number of National Basketball Association teams are producing their own games and selling the ad time.

"It's more profitable, affords more control and more direct association with the major corporate sponsors," says Shawn Hunter, executive vice president, sales and marketing, Denver Nuggets, which handles broadcast TV and radio in-house. "It's a win all the way around—for the team, the fans and the sponsors."

Indeed, the trend toward team-production has been matched by a steadily rising increase in the amount the league takes in from local TV and radio. The figure, according to league and industry sources, has more than doubled from \$63 million for the '87-'88 season to an estimated \$130 million for the upcoming 1992-93 season.

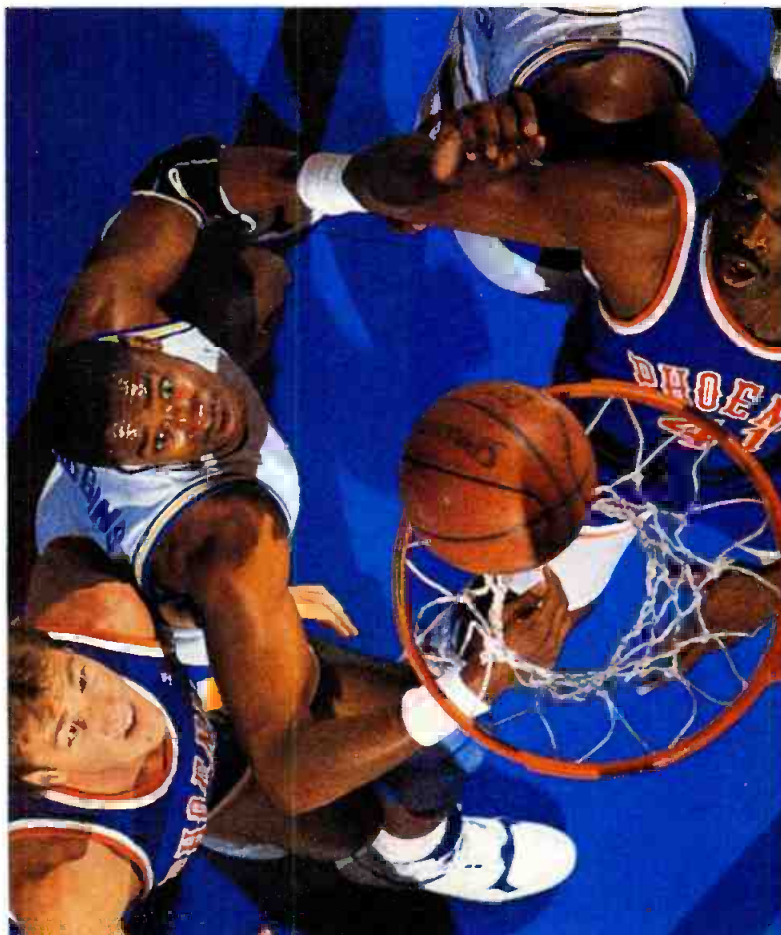
The local revenues come on top of the more than \$200 million in national TV rights fees the NBA will collect (and divide among the franchisees) from NBC and Turner Broadcasting System.

Both are in the third year of four-year deals that call for increased payments each year. NBC's started at \$126 million for 1990-91 and climbs to \$170 million for 1993-94. Turner's grows from \$57 million in year one to \$78 million in year four.

For the payments, NBC gets the rights to between 17 and 26 regular-season games, the All-Star game, between 17 and 23 playoff games and the final championship series. Turner's deal gives it up to 50 preseason and regular-season games and up to 26 playoff games through the third round.

BROADCASTING's survey of the NBA's 27 teams reveals that all but five—Boston Celtics, New York Knicks, Chicago Bulls, Milwaukee Bucks and Sacramento Kings—are directly involved in production and sales on at least one medium—broadcast TV, cable or radio (see chart, pages 51-52).

And of those, two are indirectly involved through common ownership of their broadcast or cable outlet. Principals of the Celtics also own the TV and radio stations that



broadcast their team. Paramount owns both the Knicks and MSG Network, the regional cable network that carries the games.

Three teams—Los Angeles Lakers, Utah Jazz and Portland Trailblazers—retain all rights and produce for all three media.

The NBA encourages the teams' taking matters into their own hands. According to the Nugget's Hunter, the league gives plenty of advice and the teams communicate among themselves, sharing what works and what doesn't.

The bottom line, of course, is to make more money, says John Kosner, the NBA's vice president, broadcasting. And the vast majority of teams that have taken their games in-house are making more money than they otherwise would have, he says.

"It varies from market to market," says Kosner. "Some are making tons more and others a little more. But every market is, or soon will be, making more" than if they just sold the rights, he says.

The Charlotte Hornets, one of the newest teams in the league, say they bring in about \$4.5 million annually with their combination TV-radio-signage-promotion deals.

"We've been ahead of the other leagues in this trend,"

says Paul Hanson, the NBA's vice president of team services. "Our feeling is if the teams control what goes out over the air, they'll put a little more care into it and maximize the revenue. It's not just another property that the station has."

Ten 10 teams have year-round media promotion campaigns that tie into programs produced outside the games themselves, such as coaches' shows and children's programs, Hanson says.

By taking control of the broadcasts,

Hunter says, teams can offer major sponsors broad advertising and marketing packages that not only include TV and radio spots, but also signage within the arena and creative cross-promotional deals.

The Nuggets have a deal with the Safeway supermarket chain that gives the team end-of-aisle displays in the stores. Those displays are used not only to promote the team, but also the goods of other sponsors such as Pepsi and Frito-Lay.

Broadcasters can make out, too.

Many of the stations that act as outlets for the team productions sign multi-year deals, which sometimes gives them avails, cash payments or a combination of both. For each Mavericks game it broadcasts, according to the team, KTVT(TV) Fort Worth, Tex., receives more than \$10,000 and four minutes of advertising time.

But one team executive said his team tries not to pay anything to the local broadcaster that carries the games. With larger stations, he said, the team tries to offer some inventory

# BASKETBALL'S

BROADCASTING's rundown of where to find NBA action

	BROADCAST TV				CABLE			RADIO			
Team	Flagship	# of regular season games	# of stations in network	Contract status (year of years)	Regional network	# of regular season games	Contract status (year of years)	Flagship	# of stations in network	Contract status (year of years)	Notes
EASTERN CONFERENCE / ATLANTIC DIVISION											
Boston Celtics	WFXT	35-40	0	3/10	SportsChannel New England	H-35 A-14	NA	WEEI (AM)	43	3/10	WFXT is controlled by principals of Celtics.
Miami Heat	WBFS	A-21	7	5/5	SportsChannel Florida	H-35 A-10	NA	WQAM (AM)	4-5	NA	Team retains radio rights.
New Jersey Nets	None	—	—	—	SportsChannel New York	60	2/10	WNEW (AM)	4	1/1	Team retains radio rights.
New York Knicks	None	—	—	—	MSG Network	H-41 A-36	NA	WFAN (AM)	5	1/3	Paramount owns team and MSG Network.
Orlando Magic	WKCF	A-25	6	4/5	Sunshine Network	H-36 A-4	4/5	WDBO (AM)	18	1/3	Team retains broadcast TV and radio rights.
Philadelphia 76ers	WPHL	A-7	0	2/3	Prism SportsChannel Philadelphia	H-35 A-20 A-13	2/8	WIP (AM)	10	2/3	Team retains radio rights.
Washington Bullets	WDCA	A-29	0	NA	Home Team Sports	H-30	NA	WTOP (AM)	15	NA	Team retains radio rights.
EASTERN CONFERENCE / CENTRAL DIVISION											
Atlanta Hawks	WTBS	H-15 A-15	0	NA	SportsSouth	H-10 A-10	1/2	WGST (AM)	25	1/4	Turner owns team and WTBS. WGNX (TV) Atlanta will air 8 gms., 1 yr. deal.
Charlotte Hornets	WJZY	H-4 A-19	10	1/3	SportsSouth	H-1 A-19	3/3	WBT (AM)	33	1/3	Team retains broadcast TV and radio rights.
Chicago Bulls	WGN	H-18 A-12	0	3/5	SportsChannel Chicago	H-28 A-17	NA	WMAQ (AM)	36	2/5	
Cleveland Cavaliers	WOIO	A-20	3	2/3	SportsChannel Ohio	H-22 A-18	NA	WWWE (AM)	34	3/3	Team retains broadcast TV and radio rights.
Detroit Pistons	WKBD	H-17 A-23	5	1/5	Pro-AM Sports	H-23 A-17	1/5	WWJ (AM)	27	2/5	Team retains broadcast TV and radio rights.
Indiana Pacers	WXIN	A-23	4	2/2	Prime Sports Net. Midwest	H-25	3/8	WNDE (AM)	25	1/3	Team retains broadcast TV and radio rights.
Milwaukee Bucks	WCGV	A-30	3	1/3	None	—	—	WTMJ (AM)	37	NA	Team and WTMJ have joint venture featuring graduated rights fees.



or merchandise in lieu of monetary compensation. Network affiliate stations can get as much as 50% of the inventory, he said, depending on the size of the station.

Few teams control their cable telecasts. That may be due to the fact that in most cases there is only one cable network in each market, limiting the leverage teams have in crafting deals. Nonetheless, more teams take over cable production when original rights deals come up for renewal.

The NBA practices what it preach-

es. For the second consecutive season, the NBA will produce its own network radio package, sell the package to advertising sponsors and market it to stations. The NBA last year became the first professional sports league to produce its own broadcasts.

The league's Sunday game-of-the-week broadcasts begin Jan. 24 and continue through the All-Star game and the playoffs. Playoff coverage includes every game of the regional finals and the NBA Finals.

The league says it expects to exceed

last year's lineup of 70 stations that reached roughly 60% of the national radio audience. In addition, the NBA says sponsorships are pacing ahead of last year's levels.

Sponsors for the broadcasts include Jeep, Sheraton Hotels, Dollar, Topps, Nestle and Edge, according to the league.

Like last year, the broadcasts will be produced at the Minnesota Timberwolves' broadcast studio under the direction of NBA Radio executive producer Tom Carelli.

# LOCAL LINEUP

radio and TV for the upcoming 1992-93 season.

	BROADCAST TV				CABLE			RADIO			
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WESTERN CONFERENCE / PACIFIC DIVISION											
Golden State Warriors	KPIX	H-2 A-16	2	3/3	SportsChannel Bay Area	H-34 A-2	3/3	KNBR (AM)	0	1/3	Team retains rights to 2-station broadcast TV network and radio.
	KICU	H-3 A-20		3/3							
Los Angeles Clippers	KCOP	H-10 A-26	0	2/5	SportsChannel Los Angeles	H-25 A-10	1/5	KMPC (AM)	7	1/5	Team retains radio rights.
Los Angeles Lakers	KCAL	A-43	4	3/5	Prime Ticket	H-40	NA	KLAC (AM)	18	3/5	Team retains all rights. Prime Ticket and team have common ownership.
Phoenix Suns	KUTP	H-5 A-25	NA	2/5	Arizona Sports Program Net.	H-15 A-5	2/10	KTAR (AM)	12	2/4	Team and KUTP have joint venture. Team retains radio rights.
Portland Trailblazers	KGW	H-1 A-19	0	1/3	Blazer Cable	H-20	NA	KEX (AM)	34	2/6	Team retains all rights.
Sacramento Kings	KRBK	H-5 A-25	0	2/3	Sacramento Cable	4	NA	KFBK (AM)	5	2/3	Sacramento Cable offers 4 games on PPV basis.
Seattle Supersonics	KIRO	A-15	0	NA	Prime Sports Northwest	A-20	3/5	KJR (AM)	19	NA	Team retains broadcast TV rights.
WESTERN CONFERENCE / MIDWEST DIVISION											
Dallas Mavericks	KTVT	H-1 A-24	0	2/2	Home Sports Entertainment	H-40	4/5	WBAP (AM)	37	NA	Team retains broadcast TV and radio rights.
Denver Nuggets	KWGN	H-5 A-19	0	3/3	Prime Sports Network	H-16 A-15	NA	KOA (AM)	20	1/3	Team retains broadcast TV and radio rights.
Houston Rockets	KTXH	A-41	0	5/5	Home Sports Entertainment	H-40	4/5	KTRH (AM)	29	2/7	Team retains radio rights.
Minnesota Timberwolves	KARE	H-3 A-5	5	1/1	Prime Sports Upper Midwest	H-13 A-12	3/5	KFAN (AM)	50	4/6	Team retains broadcast TV and radio rights.
	KITN	H-5 A-12		1/2							
San Antonio Spurs	KSAT	H-2 A-20	NA	NA	Home Sports Entertainment	H-19 A-11	15/15	WOAI (AM)	8	3/5	Team retains broadcast TV and radio rights. HSE offer 24 gms. on PPV.
Utah Jazz	KSTU	H-5 A-20	2	5/5	Prime Sports Network	H-6 A-19	3/3	KISN (AM)	21	3/3	Team retains all rights.

NA—Not Available or Not Applicable H—Home A—Away

Contract status refers to rights deals in cases where team sells rights or time buying deals when team retains rights.

Broadcast TV and radio networks do not include flagship(s).